

## **CITY COUNCIL MEETING**

May 16, 2016  
6:00 P.M.  
Newport, Oregon

### **ROLL CALL**

The Newport City Council met on the above date in the Council Chambers of the Newport City Hall. On roll call, Busby, Sawyer, Swanson, Allen, Saelens, and Roumagoux were present. Engler was excused.

Staff in attendance were: Spencer Nebel, City Manager; Peggy Hawker, City Recorder/Special Projects Director; Steve Rich, City Attorney, Derrick Tokos, Community Development Director; Tim Gross, Public Works Director; Mike Murzynsky, Finance Director; and Mark Miranda, Police Chief.

### **PLEDGE OF ALLEGIANCE**

Council, staff, and the audience participated in the Pledge of Allegiance.

### **PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS**

**Proclamation - Recognizing Peter Vince, Videographer Instructor at Toledo High School.** Roumagoux read a proclamation recognizing Peter Vince for his work with the students performing the City Council videography. She noted that Vince is retiring from the Lincoln County School District, and that this will be his last day videotaping City Council meetings for the City of Newport.

**Proclamation - Recognizing Lincoln County Sheriff Dennis Dotson on His Retirement.** Roumagoux read a proclamation recognizing Lincoln County Sherriff Dennis Dotson on his retirement. Miranda accepted to the proclamation on Dotson's behalf.

**Proclamation - EMS Week.** Roumagoux read a proclamation recognizing EMS Week in the City of Newport. It was accepted by Amanda Yount from Pacific West Ambulance Company. Yount presented a plaque to the city.

### **CONSENT CALENDAR**

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from May 2, 2016;
- B. Approval of City Council work session minutes from May 2, 2016;
- C. Authorization for administrative approval of the 2016 OLCC license renewals;
- D. Approval of a recommendation to the OLCC to issue a full, on-premise sales liquor license for a new outlet to Clearwater Restaurant, 325 SW Bay Boulevard.

MOTION was made by Sawyer, seconded by Swanson, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

### **PUBLIC HEARING**

**Public Hearing - Consideration and Possible Adoption of Ordinance No. 2097 Imposing a Three Percent Tax on Recreational Marijuana Sales in the City of Newport.** Hawker introduced the agenda item. Nebel reported that, if adopted, Ordinance No. 2097 would provide for a three percent tax on recreational marijuana. He noted that this ordinance would be referred to the voters at the November 8, 2016 election, and if the measure passes, the tax would be enacted.

Roumagoux opened the public hearing on Ordinance No. 2097 at 6:20 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 6:21 P.M.

Allen asked about the impact, and/or conflict, that this ordinance would have on Ordinance No. 2071, and the previously enacted resolution related to marijuana taxation. Rich noted that he could not think of any reason to keep Ordinance No. 2071 on the books. Nebel stated that Ordinance No. 2071 has specific administrative detail regarding definitions, and that it was the general consensus of staff that it provides a framework that may need to be modified if the tax is approved by the voters. Allen noted that this ordinance could be repealed at the next meeting.

MOTION was made by Allen, seconded by Swanson, to read Ordinance No. 2097, imposing a three percent tax on recreational marijuana sales in the City of Newport, by title only, and place for final passage. The motion carried unanimously in a voice vote. Voting aye on the adoption of Ordinance No. 2097 were Roumagoux, Saelens, Allen, Swanson, Sawyer, and Busby.

**Public Hearing and Possible Adoption of Resolution No. 3749 Approving a Rate Structure for Thompson's Sanitary Service, Inc., for Solid Waste, Recycling, and Composting, Effective July 1, 2016.** Hawker introduced the agenda item. Nebel reported that the city has a franchise agreement for solid waste, recycling, and composting with Thompson's Sanitary Service, Inc. He stated that under the terms of the franchise agreement, the franchisee shall charge and collect rates adopted by the City Council that are intended to produce a revenue requirement for the franchisee that is equal to the quotient of the allowable expenses divided by the operating ratio, with the range targeted to be 85% to 91%, with the midpoint being 88%. He added that the agreement also provides that on or before April 1, annually, the franchisee shall submit an annual report on operations, and that this report was received on March 30 and indicated that the operating ratio is at 92.14%.

Nebel reported that Thompson's Sanitary Services, Inc. is requesting that the rate adjustment for July 1, 2016, include 1.9% of the deferred revenue from the previous year, plus 85% of the appropriate Consumer's Price Index, with the total inflationary portion of the adjustment not exceeding 1% of rates. He stated that based on this formula, the adjusted increase, as of July 1, 2016, would be an amount not to exceed 2.9%.

Roumagoux opened the public hearing at 6:30 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 6:31 P.M.

Joe Cook, and Aimee Thompson, were in attendance representing Thompson's Sanitary Service, Inc. They responded to Council questions.

MOTION was made by Swanson, seconded by Saelens, to adopt Resolution No. 3749 which establishes a maximum rate adjustment rate increase of 2.9% for Thompson's Sanitary Service, Inc., for solid waste, recycling, and composting, effective July 1, 2016. The motion carried unanimously in a voice vote.

## **COMMUNICATIONS**

**From Lincoln County Transit, Annual Report from Cynda Bruce, Program Director.** Hawker noted that Bruce was ill and unable to attend this meeting.

**From Environment Oregon Regarding Solarize Request - Charlie Fisher.** Hawker introduced the agenda item. Nebel reported that on behalf of Environment Oregon, Charlie Fisher, Clean Energy Advocate, will make a PowerPoint presentation on Solarize Lincoln County. He stated that the program is a collaboration between a municipality and a solar contractor to promote solar energy use, and in order to proceed with this issue, an estimated cost of \$10,000 county-wide has been identified with a goal of Lincoln County contributing \$5,000 and \$5,000 being contributed from the various city budgets.

Allen asked why Environment Oregon would not partner with a utility district, and Fisher stated that his organization would support a program operated by a utility company.

Saelens noted that the concept is an opportunity to utilize solar options with nice incentives. He added that the Lincoln County Board of Commissioners has not yet considered whether to formally adopt this program. He noted that it is anticipated that Lincoln County would contribute \$5,000 of the \$10,000 required for start-up, and that Lincoln County cities would contribute the additional \$5,000.

Allen asked whether this program could financially benefit the program that Saelens is employed with, and Saelens reported that it would not financially benefit the solid waste program. He added that the campaign manager would operate through an agreement with Solar Oregon.

A discussion ensued regarding the formation of a committee, and multiple solar companies working together.

Further discussion ensued regarding the possibility of a homeowner having a conflict with the contractor, and how that situation might be addressed.

Rio Davidson, a local solar contractor, talked with Council about the importance of the program's education component. He also discussed the financing, types of systems, and environmental components of the program.

Marletta Noe stated that she has studied this issue, and that there are many reasons that governments should not be involved.

Miranda reported that he is going into his third summer with solar and is really pleased.

Busby stated that his main concern is that this program is a case of the government subsidizing private business. He added that if the city wishes to contribute, it should allow other solar groups and energy providers.

Allen stated that it is his understanding that the city's money would not go toward rebates but only for informational materials as part of a workshop. Saelens stated that this is not a subsidy for the business. He explained the utility incentive programs.

It was the consensus of Council that Nebel draft a letter indicating that Council is interested in pursuing this opportunity if other Lincoln County jurisdictions are interested, and pending final program details.

### **CITY MANAGER'S REPORT**

**Approval of Intergovernmental Agreement between the City of Newport and Lincoln County for Building Code Services.** Hawker introduced the agenda item. Nebel reported that in 2009, the city entered into a building code services agreement with Lincoln County that makes building officials from the city and/or county available to cover each other when the counterpart is not available. He stated that the new agreement expands the scope to include reciprocal coverage for plan reviews and inspections required to implement the Oregon Electric, Plumbing, and Mechanical Specialty Codes.

MOTION was made by Sawyer, seconded by Saelens, to approve an intergovernmental agreement with Lincoln County for Building Code Services, and authorize the Mayor to execute the document. The motion carried unanimously in a voice vote.

**Consideration and Possible Adoption of Resolution No. 3745 Calling for an Election on the Imposition of a Three Percent Tax on the Sale of Recreational Marijuana in the City of Newport.** Hawker introduced the agenda item. Nebel reported that this resolution, if adopted, would refer Ordinance No. 2097, adopted earlier this evening, to the voters at the November 8, 2016 election.

Allen noted that all references to June 6, 2016, need to be substituted with today's date.

MOTION was made by Allen, seconded by Sawyer, to adopt, with the changes noted by Allen, Resolution No. 3745, a resolution calling for an election to refer to the voters of the City of Newport, Oregon, a measure that would impose a 3% tax on the sale of recreational marijuana items by a marijuana retailer. The motion carried unanimously in a voice vote.

**Consideration and Possible Adoption of Resolution No. 3750 - Revised Council Rules.** Hawker introduced the agenda item. Nebel reported that as was indicated in a work session, the Council Rules are proposed to be amended with a new section - "5.9 Use of City Owned/Issued Electronic Devices by Councilors." He added that the Council Rules have been cleaned up in other areas and organized in a more logical manner. This section governs the appropriate use of city issued computers or IPADs to Council members as has been previously reviewed by the Council.

Allen suggested the following changes to the resolution: changing the word "repealing," in the title, to "rescinding;" and adding a Section 2 to read: "Resolution No. 3624 is rescinded in its entirety."

MOTION was made by Allen, seconded by Swanson, to adopt Resolution No. 3750, amending the City of Newport Council Rules, as amended at this meeting. The motion carried unanimously in a voice vote.

**Authorization of a Letter of Understanding with the Newport Employees Association.** Hawker introduced the agenda item. Nebel reported that as part of the agreement

between the Newport Employees Association and the city, there was an agreement to form a salary review committee to conduct a wage study for the basis of adjustments beginning July 1, 2016 with the intent that the salary study would be used in consideration for bargaining those wages with a reopener on April 1, 2016. He stated that it was indicated that the salary study would be completed by April 1, 2016, but due to having to rewrite and review virtually all of the job descriptions for Public Works employees, this deadline has not been able to be met.

Nebel reported that the job descriptions have been completed and submitted to LGPI for use in the salary study, however the actual study will not be available until July. He stated that he proposed that all non-union employees receive a 2% cost-of-living increase as of July 1, 2015 with potentially a further adjustment retroactive to July 1, 2016 based on the salary study that would be effective July 1, 2016. He added that this memorandum of understanding would put the same understanding in place for the employees covered by the Newport Employees Association agreement.

MOTION was made by Swanson, seconded by Saelens, to authorize the City Manager to enter into a memorandum of understanding with the Newport Employees Association which includes a 2% cost of living increase effective July 1, 2016, and delay the negotiations reopener for any further adjustments based on consideration of the salary study until August 1, 2016 with any further wage adjustments that are negotiated and effective for 2016/2017 being paid retroactively to July 1, 2016. The motion carried unanimously in a voice vote.

### **LOCAL CONTRACT REVIEW BOARD**

The City Council, acting as the Local Contract Review Board, met to consider the following item:

**Notice of Intent to Award and Negotiate an Actuary Services Contract with Silverstone Group.** Hawker introduced the agenda item. Nebel reported that a request for proposals was issued for actuarial services for the City of Newport Employees Retirement System. He stated that, in the past, the city's retirement system has had two separate actuaries, one for the defined benefit portion of the plan and the other for the defined contribution portion of the plan. He added that having two separate actuaries has led to complications in obtaining timely actuarial information, and the recent RFP consolidates the defined benefit and the defined contribution actuary requirements into one professional services agreement. He reviewed the RFP process.

MOTION was made by Allen, seconded by Swanson, to authorize the contract to the Silverstone Group for actuary services for the City of Newport Employee Retirement System following any protest period for a five-year period commencing July 1, 2016 with an option of extending the contract for two additional one year terms and authorize the City Manager to execute the agreement. The motion carried unanimously in a voice vote.

### **REPORTS FROM MAYOR AND COUNCIL**

Nebel reported that a special City Council meeting will be held on Wednesday night to administer the oath of office, as honorary citizens, to the Sister City delegation. He added that the meeting will be followed by a potluck dinner at City Hall.

Nebel asked if additional training was needed for using the iPads for the paperless packets. He indicated that staff should be advised if anyone has questions or deems additional training necessary.

Roumagoux thanked everyone for their well wishes on her husband's recent illness. She commended the Fire Department for its help when her husband fell ill.

Roumagoux reported that on April 19, she participated in a "Deadliest Catch" interview. She noted that she was not given a script; asked impromptu questions; and interviewed for two hours.

Roumagoux reported that on April 16, she met with Bill Hall and Steve Wyatt and various interested citizens to tour the Pioneer Cemetery. She stated that a group of Fred Meyer employees have been cleaning the cemetery and that Hall and Wyatt will work with this group.

Roumagoux reported that on May 6, she participated in Granicus training with Richard Dutton and Hawker.

Roumagoux reported that on May 10, she spoke at Leadership Lincoln on the Mayoral position.

Roumagoux reported that on May 11, she attended the Lincoln County Mayor's meeting in Depoe Bay.

Roumagoux reported that on May 14, she welcomed the Northwest District Exchange Convention to Newport.

Sawyer reported that Red Hill had recently passed away. He noted that he was a former volunteer firefighter and a big community supporter.

Saelens reported that the VAC Steering Committee is meeting tomorrow.

Saelens reported that Roumagoux will attend the upcoming Parks and Recreation Advisory Committee meeting in his stead.

Saelens asked about updated software to make it easier to read documents on the iPads.

Nebel asked whether it was necessary to continue producing paper packets. It was the consensus of Council that it is no longer necessary.

Saelens reported that he will be unable to attend tomorrow night's Budget Committee meeting.

Swanson reported on the Solid Waste Advisory Committee table top exercise regarding debris management in the event of a major disaster.

Swanson reported that the Cascadia Rising event will be held during the afternoon of June 10 at the fairgrounds.

Swanson reported that she participated in the Police Department Ride-Along Program with Sergeant Garbarino.

Swanson reported that she attended the city's recent Safety Fair at the Recreation Center.

Swanson reported that she attended the recent Chamber of Commerce luncheon held at the PAC.

Swanson reported that she worked all weekend preparing gifts for the Mombetsu delegation.

Swanson reported that she attended a recent presentation on the Cascadia Subduction Zone.

Swanson reported that she attended two webinars about building broadband in communities.

Allen reported that the final Budget Committee meeting will be held tomorrow evening.

### **ADJOURNMENT**

Having no further business, the meeting adjourned at 8:15 P.M.

---

Margaret M. Hawker, City Recorder

---

Sandra N. Roumagoux, Mayor